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**THE DEFENSE CONTRACT MANAGEMENT COMMAND**  
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APR 2 1997

IN REPLY  
REFER TO AQOF

**MEMORANDUM FOR COMMANDERS, DEFENSE CONTRACT MANAGEMENT  
DISTRICTS**

**SUBJECT: DCMC Memorandum No. 97-36, New Metric and Strategy for Engineering Change  
Proposal (ECP) Cycle Time (POLICY)**

This is a POLICY Memorandum. It expires when changes are put in the Fiscal Year 1997 (FY 97) DCMC Business Plan. Target Audience: All DCMC employees involved with Configuration Management.

The reason for this memorandum is to notify and explain a change we are making to the FY 97 Business Plan Task 1.2.1.2. Currently, the task reads "Ensure timeliness of DCMC technical assessments of Class I ECPs and major waivers/deviations by providing 100 percent of assessments/recommendations to buying activities and program offices by PCO disposition date." This task is changed to: "Ensure timeliness of Class I ECP implementation by reducing Class I ECP cycle time (from contractor submission to PCO disposition)." Reporting of the new metric began with the March 19, 1997 Monthly Management Review (MMR). Trending and rating this task (green, yellow, or red) will start immediately following the guidance provided in DCMC Memorandum No. 96-54, Procedures for Command Level Monthly Management Reviews (MMRs) (POLICY), dated September 30, 1996. A goal will be established for FY 98 based on the 4th Qtr FY 97 performance.

Our purpose in changing the task and metric is to focus on the total Class I ECP cycle time versus just our own processing time. This is because our processing time (15 to 20 days) is a very small portion of ECP cycle time (90 to 100 days), and because we want to move the metric from control to influence. If we want to foster improvements in the overall acquisition process, and we do, we need to focus on the total ECP cycle time. The Executive Director, Contract Management Policy recently briefed the DCMC metrics to acquisition and procurement officials in the Military Departments. Everyone asked questions about the ECP metric and were relieved that our metric is focused on the total cycle time -- they are very much concerned with reducing the total cycle time and are hopeful our metric will assist in this goal.

Our analysis of process drivers shows that the best way to improve the cycle time is to do concurrent processing, i.e., use an integrated process team (IPT) approach. Consequently, I expect DCMC offices that haven't yet gone to an IPT approach, to work with their customers to set up more concurrent approaches to Class I ECP processing. Management councils are the ideal forum to work out these arrangements. DCMC offices that are already engaged in IPT approaches need to ensure ECPs are processed efficiently and problem areas such as old and

undispositioned ECPs are identified, discussed and resolved in a timely manner. As always, call on the DCMC customer liaisons if you need assistance with particular buying activities. Insights gained from continued reporting, tracking, and review of this metric will be shared with the Services as appropriate.

This Business Plan change has no impact on our current data collection (paragraph 3.10.2.2, Class I ECP Cycle Time, of the FY 97 DCMC Metrics guidebook). We will be using the current information in the Automated Configuration Tracking System to collect the data, but the accuracy of the buying activity information (disposition, dates and contract numbers) is essential.

If you have any questions, please contact Mr. Aristides Maldonado (AQOF) at (703) 767-3355 or your District POC: Mr. Paul Strong (DCMDE) at (617) 753-4242; Mr. Edmund Minassian (DCMDW) at (310) 335-3688; or Mr. William Gibson (DCMDI) at (703) 767-2793.



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